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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/575,269	04/11/2006	Gershon M. Kagan	P08910US00/RFH	8866
881	7590	04/27/2009	EXAMINER	
STITES & HARBISON PLLC 1199 NORTH FAIRFAX STREET SUITE 900 ALEXANDRIA, VA 22314			CHEUNG, MARY DA ZHI WANG	
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/575,269	Applicant(s) KAGAN ET AL.
	Examiner MARY CHEUNG	Art Unit 3694

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If no period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 25 February 2009.
 2a) This action is FINAL. 2b) This action is non-final.
 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1-38 is/are pending in the application.
 4a) Of the above claim(s) 1-18 and 38 is/are withdrawn from consideration.
 5) Claim(s) _____ is/are allowed.
 6) Claim(s) 19-37 is/are rejected.
 7) Claim(s) _____ is/are objected to.
 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.
 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) Notice of References Cited (PTO-892)
 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
 3) Information Disclosure Statement(s) (PTO-166/08)
 Paper No(s)/Mail Date _____

4) Interview Summary (PTO-413)
 Paper No(s)/Mail Date _____
 5) Notice of Informal Patent Application
 6) Other: _____

DETAILED ACTION

Status of the Claims

1. This action is in response to the restriction election filed on February 25, 2009. Claims 1-38 are pending. Claims 19-37 are elected and examiner below. Claims 1-18 and 38 are withdrawn from consideration.

Election/Restrictions

2. Applicant's election of Invention II (claims 19-37) in the reply filed on February 25, 2009 is acknowledged. Because applicant did not distinctly and specifically point out the supposed errors in the restriction requirement, the election has been treated as an election without traverse (MPEP § 818.03(a)). The restriction has been made FINAL.

3. In response to the applicant's request to examine claim 38 along with the elected claims because it depends on claim 19, the examiner declines the request because claim 38 should be rewritten to an independent claim form; the claim does not pass the infringement test as explained in MPEP 608.01 (n) III, and the claim should be objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claim 26 rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 26 recites the limitations "said settler", "said pricing agent" and "said advisory in lines 2-3. There is insufficient antecedent basis for this limitation in the claim.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

7. Claims 19-23 and 27-36 are rejected under 35 U.S.C. 102(e) as being anticipated by Mascavage, III et al., US 20003/0126075 A1.

As to claim 19, Mascavage teaches for use in an electronic commerce system allowing a customer having an account with a first payment service provider based in a home network to purchase goods and services from a merchant having an account with a second payment service provider based in a remote network, a payment gateway for communication with at least one similar payment gateway for enabling a transaction desired by a customer having an account with a first payment service provider based in a home network from a merchant having an account with a second payment service

provider based in a remote network, including (¶ 38, 41 and Figs. 1A-1B; “*an account with a first payment service provider*” corresponds to the first bank account of the user, and “*an account with second payment service provider*” corresponds to the second bank account of the merchant in Mascavage’s teaching):

- a registrar for authenticating and authorizing the networks and payment service providers that said payment gateway recognizes as being valid parties to a transaction (¶ 68, 80, 92 and Fig. 4);
- a peer recognizer for verifying the identity of other said payment gateways participating in enabling a transaction (¶ 51 and Figs. 3A-3B);
- a local transaction interface for accepting requests, responses, and other messages, relating to a transaction, that originate with parties to the transaction that are based on the network on which said payment gateway is based and for forwarding responses, requests, and other messages, relating to a transaction, to parties to the transaction that are based on the network on which said payment gateway is based (¶ 57, 61, 64-67 and Fig. 3B);
- a router for determining, in their respective networks, the payment service providers and the other said payment gateways that are party to the transaction and for directing messages pertaining to the transaction to the respective parties (¶ 49 and Fig. 3A);
- a remote transaction interface for accepting responses, requests, and other messages, relating to a transaction, that originate with parties to the transaction that are based on a network on which said payment gateway is

not based and for forwarding requests, responses, and other messages, relating to a transaction, to parties to the transaction that are based on the network on which said payment gateway is not based (Figs. 4-5B); and

- a customer authenticator for verifying the identity of the customer to the remote payment service provider (¶ 51 and Figs. 3A-3B).

As to claim 20, Mascavage teaches a settler for transferring all credits and debits among all parties to the transaction (¶ 90-91).

As to claim 21, Mascavage teaches a payment gateway according to claim 19, further including a persistent storage device for maintaining a record of the transaction and its status (¶ 48, 54 and Figs. 2-3B).

As to claim 22, Mascavage teaches wherein said persistent storage device includes a database system (¶ 48, 54 and Figs. 2-3B).

As to claim 23, Mascavage teaches a pricing agent for determining the total cost to the customer of the transaction, including charges added thereto by all parties to the transaction (¶ 81).

As to claim 27, Mascavage teaches wherein communication among said payment gateway and said at least one similar payment gateway is via a general network (Fig. 1A-1C).

As to claim 28, Mascavage teaches wherein said general network is a secure general network (¶ 50, 86).

As to claim 29, Mascavage teaches wherein said secure general network is one member of the group including: the SS7 network, a standardized network

communications technology including secure point to point communication, an internet connection including security provisions, and a private network (¶ 50 and Figs. 1A-1C, 3B).

As to claim 30, Mascavage teaches wherein said peer recognizer verifies the identity of other said payment gateways participating in enabling a transaction by means of a central payment gateway on said general network operative to notify all participating said payment gateways of the existence and identity of any new said payment gateways (¶ 51 and Figs. 3A-3B).

As to claim 31, Mascavage teaches wherein the customer has a multiplicity of accounts with a multiplicity of respective first payment service providers and wherein the customer selects a particular account for executing the transaction and wherein said router directs messages pertaining to the transaction to the first payment service provider with which the customer has the selected account (¶ 70 and Figs. 4-5B).

As to claims 32-34, Mascavage teaches wherein the multiplicity of accounts of the customer includes at least one of: a credit card, a debit card, a preauthorized credit line, a prepaid debit account, a rechargeable prepaid debit account, a prepaid telephony account, and a postpaid telephony account (¶ 13, 59-61 and Figs. 5B; *Notes: the limitation "at least one of" shows if one of the features is found in the prior art, it would satisfy this limitation. Since Mascavage teaches credit card account, all other accounts such as rechargeable prepaid debit account are not required taught by Mascavage; thus, the features claimed in claims 33 and 34 are not required taught by Mascavage*).

As to claim 35, Mascavage teaches said customer authenticator verifies the identity of the customer by means of at least one member of the group including: a signature, a SIM card, an identifying object, a secret code, and a biometric identifier (¶ 50-52).

As to claim 36, Mascavage teaches said customer authenticator requires verification of the identity of the customer that requires confirmation from the first payment service provider wherein the customer has an account (¶ 71-76 and Figs. 5A-5B).

Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

9. Claims 24-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Mascavage, III et al., US 20003/0126075 A1 in view of Cole et al., US 2002/0161707 A1.

As to claim 24, Mascavage teaches the payment gateways as discussed above. Mascavage does not specifically teach an advisor for relaying, from said pricing agent via said local transaction interface, the corrected total cost information to the customer via the remote network and for returning, via said local transaction interface, the customer's confirmation to proceed with the transaction. However, this matter is taught by Cole as an advisor update charges according to the corrected total cost information

to the customer via the remote network and for returning, via local transaction interface, the customer's confirmation to proceed the transaction (¶ 171 and Figs. 37-42). It would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the payment gateway in Mascavage's teaching to include an advisor as taught by Cole so that the payments can be properly allocated and charged.

As to claim 25, Mascavage does not specifically teach a foreign exchange adjuster for correcting the total cost of the transaction for differences in the currency exchange rates for currencies used by the parties to the transaction and for converting, according to suitable currency exchange rates, all costs and charges into the currency employed by the first payment service provider wherein the customer has an account. However, this matter is taught by Cole as a foreign exchange adjuster to convert different currencies and calculate the total cost for the transaction according to the corresponding exchange rate (¶ 60, 146-148). It would have been obvious to one of ordinary skill in the art at the time the invention was made to allow Mascavage's teaching to include a foreign exchange adjuster as taught by Cole for encouraging global trading.

As to claim 26, Mascavage teaches said settling is performed by an external settler, resident on parties to the transaction external to said payment gateway, and further including a relay interface for relaying, from the external parties, the results of said functions to said settler for further processing (Figs. 1A-1C).

10. Claim 37 is rejected under 35 U.S.C. 103(a) as being unpatentable over Mascavage, III et al., US 20003/0126075 A1 in view of Official Notice.

As to claim 37, Mascavage teaches a customer authenticator for verifying the identity of the customer as discussed in claim 19 above. Mascavage does not specifically teach said customer authenticator requires verification of the identity of the customer that is completed by the customer at the location of the merchant. The examiner takes Official Notice that it is well known in the art the authenticate identity by the customer at the location of the merchant. For example, the customer uses a debit card to make a purchase at the location of the merchant by swiping the debit card and entering the PIN number. It would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the authentication in Mascavage's teaching to be performed by the customer at the location of the merchant for quickly settling the transaction.

Inquire

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Mary Cheung whose telephone number is (571)-272-6705. The examiner can normally be reached on Monday – Thursday from 10:00 AM to 7:00 PM. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell, can be reached on (571) 272-6712.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should

you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

The fax phone numbers for the organization where this application or proceedings is assigned are as follows:

(571) 273-8300 (Official Communications; including After Final Communications labeled "BOX AF")
(571) 273-6705 (Draft Communications)

/Mary Cheung/
Primary Examiner, Art Unit 3694
April 23, 2009